Design Sense

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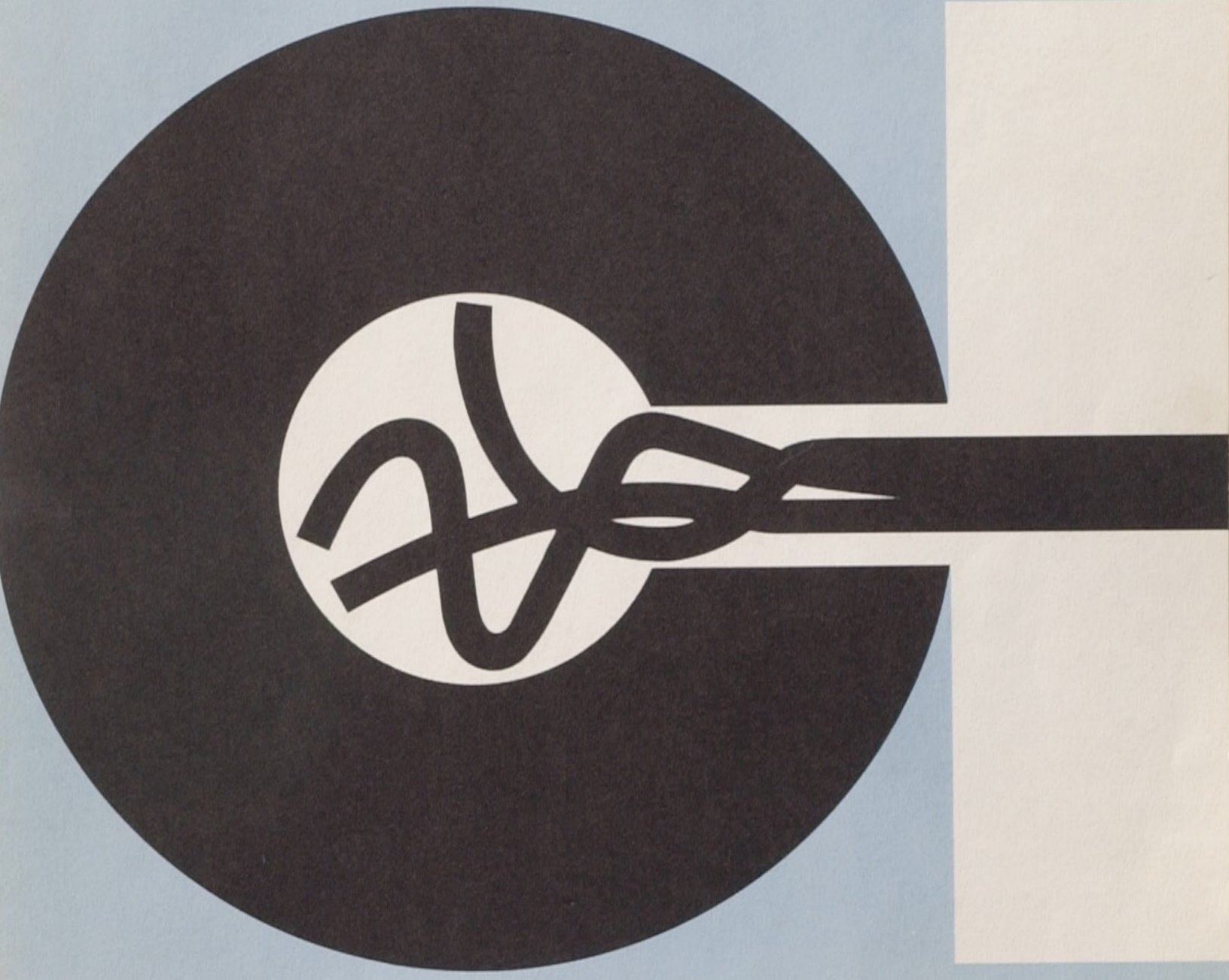

Corporate Identity
Part I

A publication on design as it affects marketing, merchandising, package and product planning, research and store planning.

Lippincott and Margulies, Inc.
Industrial Designers
430 Park Avenue, New York 22, New York

UNSCRAMBLING THE SEMANTICS

At the outset, let's see if we can make clear what we will be talking about in this issue and the next.

When we talk about "CORPORATE IMAGE" *we mean the mental picture people have of a company. The Image is a composite of many things, all of them having to do with* exposure of people *to a company — its products, policies, personnel, visual communications. Everything. Frequently the Image is the result of second-hand exposure i.e., (hearsay). While it is within a company's power to* influence *its Image, no company ever has complete control over it, because no company can ever control, completely, what people think.*

Only when we come to talk about the "CORPORATE IDENTITY SYSTEM" *do we reach an area where management does have substantial control. And in this area it controls in two ways: first, with visual communications; second with words. The first we call the "Corporate Look." The second we call "Corporate Nomenclature."*

Where does the System come in? Well, the System is the plan, program, policy, time-schedule, or just plain way *in which a company uses visual materials and words (Look and Nomenclature) in communicating to the public.*

When there is order and consistency and purpose in the use of these communicating elements, there emerges an Identity for the corporation which can have a strong influence on its Corporate Image. When there is no plan or direction — or when the plan is badly conceived and/or executed — the most likely result is the Image of "just another company."

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CORPORATE IDENTITY PART I THE PLAN

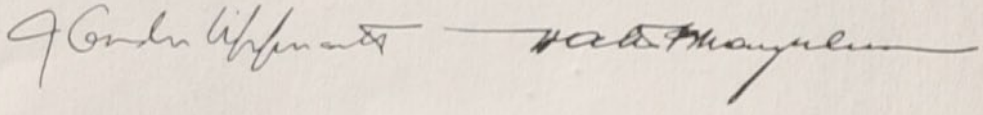
Ask any ten businessmen what a "Corporate Identity System" is, and chances are you will get seven different answers and three blank stares.

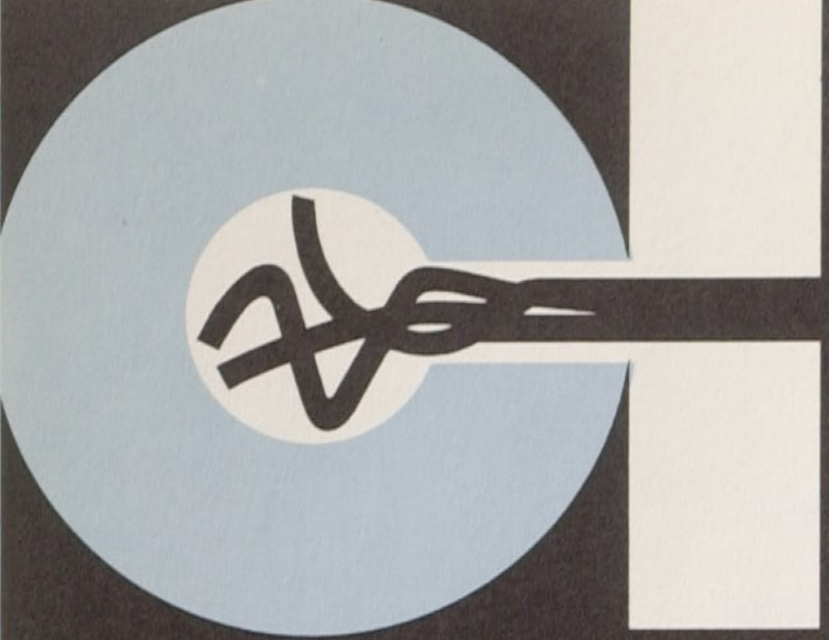
One reason lies in the fact that the term is a comparatively new addition to the jargon of business. Another is that Corporate Identity has probably been subject to as much confusion and misinterpretation as any term since (or before) "Motivation Research" or "Subliminal Advertising."

Because this whole subject is one of the hottest marketing topics to come barreling down the 'pike in the past decade, we are taking two issues of DESIGN SENSE (this one and next month's) to discuss its implications for businessmen.

This issue will cover what a Corporate Identity System is . . . how it differs from the Corporate Image . . . and, finally, the part played by design in achieving a System which will work most effectively.

Next month we will finish with some case histories — our own and others — showing how some representative companies have put a Corporate Identity System to work to win for themselves the priceless asset of a favorable Corporate Image.





CLOSE LOOK AT THE CORPORATE IMAGE

If someone tells you that John Smith is a truck driver, your mind forms an involuntary, almost instantaneous picture of Mr. Smith.

If your informant then adds that Smith is 41 years old, is 6'2" tall and weighs 185 pounds . . . that he played football in high school . . . that he has a wife and kids at home . . . your mental picture of the man grows a little bit. But it is a normal, uncomplicated growth because the bits and pieces of information you have received fit neatly into the universal image of "Truck Driver".

If, after providing these facts, your informant suddenly tells you that Smith spends his evenings as a "chorus boy" in a Broadway musical, your response is likely to be, "You're kidding!" — or words to that effect. This will probably be followed by admission (to yourself, anyway) that you just can't imagine what kind of person Smith *really* is. Because he doesn't fit the pattern, your mental picture of Smith is shattered.

This little experiment, which, by the way, is worth trying on your friends, illustrates two vital facts about the Corporate Image:

First: The Corporate Image is the sum total of all the bits and pieces of information about a company.

Second: The bits and pieces had better reinforce each other, or at the very least, be consistent with each other. In the sensitive area of imagery, contradiction equals confusion.

Getting a Corporate Image is no problem. For better or worse, every company has one the moment it opens its doors for business. The question is: how is the Image formed? More to the point — how can a company "create" the kind of Image that will win customers and influence sales?

The answer to the first question is that the Image is formed by everything from the company's name to the company's products . . . from its internal employee relations to its external public relations . . . from what its advertisements say to how its products and packages look.

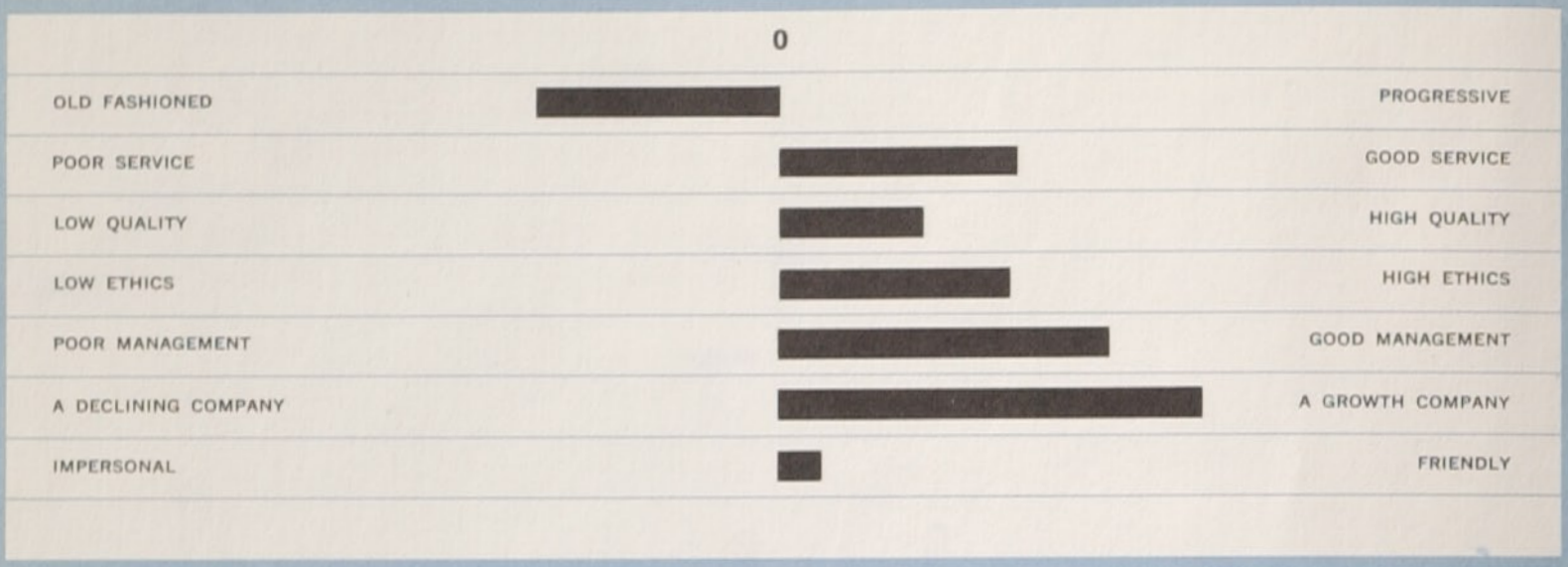
These media, and dozens of others, transmit impressions (or idea-messages) to people. People, in turn, interpret these messages in the light of their own experiences with, or knowledge about, the company. The sum of these *interpreted* messages — what is left in the mind after being filtered through the veil of experience — is the Corporate Image.

The answer to the second question, how can a company create the right kind of Image, is that a company cannot "create" or "build" an Image at all. The Image *already exists* in the mind of the public. And because the public is people . . . and because people are human . . . a company can never hope to be thought of in precisely the same way by all of them.

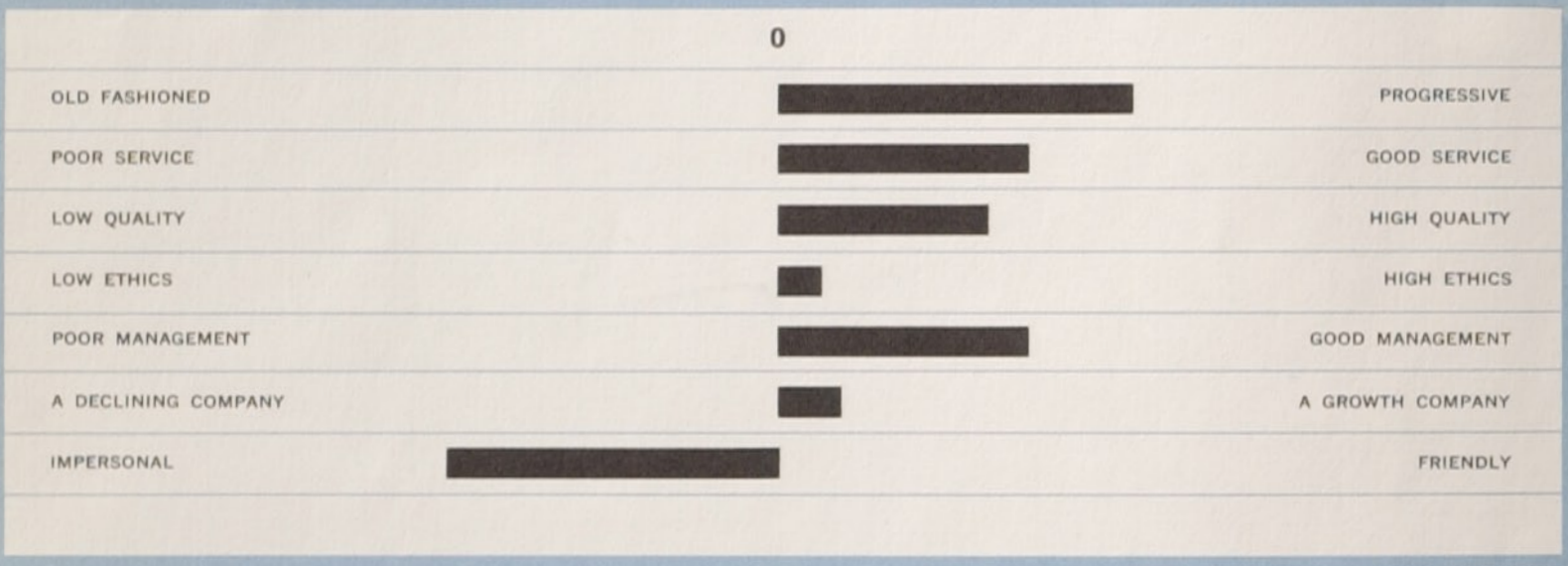
While a company cannot "create" its Image, it can definitely work to *influence* the kind of Image that exists. In fact, that is what this issue of Design Sense is all about.

The Corporate Image, then, (1) exists *only* in the minds of people; (2) is formed there as the end-product of a broad spectrum of communications; and (3) since all of the senses can be involved, the resultant Image is frequently an emotional "feeling" rather than a rationally arrived-at conclusion.

Many corporations have tried to define their Image through research which seeks to draw a "Personality Profile" for the company. Here, for example, is the profile of a large household products manufacturer. Note that it is a very favorable Image, generally, except that the public regards it as "Old Fashioned" — and this despite major emphasis by the company on product research and development during the past five years.



Here is another Personality Profile, this one for a large basic producer. The company has a high reputation for progressiveness, quality and service, but there is a general feeling that they are "Unfriendly" — or, at least, impersonal in their relations with the public. This profile, incidentally, is typical of a good many very large corporations:



Profiling a Corporate Image is a valuable first step for any company to take. Because it shows areas of weakness as well as strength, it gives clues to the kinds of actions which must be taken to correct the deficiencies. In the last example above, there would be little point in a massive effort to promote the company's reputation for "Good Service." Far better, instead, to spend the effort promoting it as a "Friendly" company with which to do business.

DOES HOW YOU FEEL EQUAL WHAT YOU THINK?

How much a matter of emotion it is — and how much just one form of communication can influence the Image — is suggested by a classic (and true) story.

Some time ago, a leading public opinion pollster did a survey to determine how people regarded certain U.S. corporations. Among the GE's, Monsanto's and Standard Oil's were "The American Improvement Company" and the "International Molybdenum Cartel". Almost to a man, the respondents voted the A.I.C. the firm they held in highest esteem. And their overwhelming choice as the company least likely to be loved, and most likely to be up to no good, went to the International Molybdenum Cartel. The point of real interest, of course, is that both these company names were completely fictitious.

If a company name alone can have this kind of influence, clearly, the company slogan and the brand names of its products must exert an equally strong effect. Small wonder, then, that the search for the precisely *right* product name is such a major operation today in so many companies. (See DESIGN SENSE #8).

The corporate name is just one of the multitude of influences which combine in the mind of the public to form a Corporate Image. To list them all would be endless as well as pointless. In general, however, these influences can be grouped into two broad generic categories: experiential and sensory.

Of the two, the impressions formed by personal experience with a company are the most powerful, longest lasting. These can be formed in all sorts of ways — from personal experience with a company's products to experience with a company's personnel. They can even be formed vicariously, and at third or fourth hand, via the devious and frequently devastating route of "word of mouth."

Try as it may, a company cannot control the Image that comes as a result of people's experiences. An oil company can market the best gasoline in the world only to find its multi-million dollar research effort thwarted by one surly gas station attendant. If a steel company raises prices, the customers scream and editorials blister. If it lowers prices (and thus ends up with lower profits) thousands of stockholders grumble about smaller dividends. No matter what stand a company takes on any question — personnel policies, wages, prices, dealer relations — there will always be someone who will violently disagree.

There is, however, one area in which a company can exert an effective influence on the kind of Corporate Image it has. This is the area of sensory impressions — and specifically, the impressions that come to the mind visually. For one thing, some 85% of a person's awareness of things around him come to him through his eyes. For another, people tend to put stock in things they can see. If they are subconsciously aware that "appearances are deceiving", they remain equally firm in their conviction that "seeing is believing."

Determining what people will see lies wholly within a company's power. When it consciously and systematically works to create a clear, consistent and favorable impression through its word and visual communications — when it establishes a goal and a method for reaching it — then it has what has come to be known as a "Corporate Identity System."

Any C.I. System worth its salt is made up of two main message-transmitting elements: visual communications and word communications — "Corporate Look" and "Corporate Nomenclature."

ENTER, THE CORPORATE LOOK

The things than can be seen in a company's relations with its publics combine to convey an impression of the company they represent. The sum total of these visible impressions — again, *as interpreted by the viewer* — is the Corporate Look.

To many companies, it comes as a shock to find out just how many ways they are communicating visually. On the page opposite is the check list we use in analyzing a client's "Corporate Look." It covers 8 categories and 57 *kinds of things* that transmit *visible* impressions. Many of these categories may encompass dozens of specific items. One example: just the letterheads collected by L&M's design team in the course of the U.S. Steel Corporate Identity program made a pile of paper 18 inches high.

Can the appearance of a company's products, packages, letterheads, signs, catalogs, etc. *really* have an influence on its Image? Let us consider two real-life examples which we will call Company A and Company B to protect the guilty and preserve us from lawsuit.

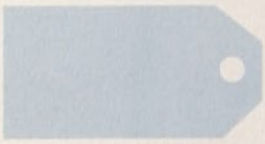
Company A makes a line of consumer appliances. For years, its public relations program has been working hard to show it as a modern, progressive company — a good place to work, a good company to do business with. But look at its visual communications.

Cheesecake in one ad, stark symbolism in the next, coy sophistication in the third. Some of its products are beautifully designed, others look old-fashioned, still others look as if they had been handed down from designer to designer with each contributing his own individual touch to a handle here, a gear housing there. Its trademark was conceived in the days of the industrial revolution and is clearly dedicated to the proposition that Industrial Might Is Right. Its divisions and subsidiaries identify themselves with the parent company when, as, and if it pleases them to do so — and in whatever manner seems most convenient at the time.

To the casual observer, or even long-established customers, such a hodge-podge of contradictory visual impressions adds up to the inescapable, (if subconsciously-held) conclusion that this company doesn't really know what kind of a firm it is, or what kind it wants to be.

Company B makes a line of packaged foods. Its ads are full of fun and life. Its buildings are crisply modern. Its trucks are drab. Its bills and invoices look demanding. Its annual report is pompous. Packages for some products strive to convey a quality impression. Other packages scream "bargain basement"! On some, the brand name's the thing. On others, the brand name is all but overpowered by the company logotype.

Presenting a score of different faces, its products are prey to the whims of the consumer and fluctuations in the market. Frequently, its ads end up selling its competitor's products, for the simple reason that its competitor's packages *look* like the kind of product the ads are talking about. The fact that its sales are adequate, if not spectacular, is a tribute, we suspect, to the inherent quality of its products. Certainly this company's Corporate Look is acting more like an anchor than a propeller.



CORPORATE LOOK CHECK LIST

CATEGORY	ITEM		ITEM	
1. Packaging	LABELS		CANS	
	STICKERS		DRUMS	
	TAGS		CLOSURES	
	CARTONS		DISPLAYS	
	BOXES AND CRATES		OTHER	
	BOTTLES			
2. Advertising & Promotion	NEWSPAPERS		POSTERS	
	MAGAZINES (CONSUMER)		MERCHANDISING AIDS	
	MAGAZINES (TRADE & BUSINESS)		RESEARCH REPORTS	
	TELEVISION		GIVEAWAYS AND GIMMICKS	
	BOOKLETS & BROCHURES		OTHER	
	CATALOGUES			
3. Signage	OFFICE ENTRANCE		DOORS — INTERNAL	
	PLANT ENTRANCE		PLANT IDENTIFYING — EXTERNAL	
	SHOWROOM AND/OR RETAIL OUTLETS		OTHER	
4. Institutional Literature	ANNUAL REPORT		EMPLOYEE BOOKLETS	
	LEGAL DOCUMENTS		NOTICES AND BULLETINS	
	HOUSE ORGANS		OTHER	
5. Stationery and Forms	EXECUTIVE OFFICE LETTERHEADS/ENVELOPES		INVOICES AND STATEMENTS	
	DIVISIONAL LETTERHEADS/ENVELOPES		PRESS RELEASE FORMS	
	BRANCH OFFICE LETTERHEADS/ENVELOPES		REPORT FORMS	
	CALLING CARDS		OTHER	
	ORDER FORMS			
6. Buildings and Equipment (stationary)	PLANTS — EXTERNAL APPEARANCE		SHOWROOM DECOR AND FURNISHINGS	
	OFFICES — EXTERNAL APPEARANCE		MACHINERY AND PRODUCTION EQUIPMENT	
	RETAIL OUTLETS — EXTERNAL APPEARANCE		OTHER	
	OFFICE DECOR AND FURNISHINGS			
7. Transportation	TRUCKS		FREIGHT & TANK CARS	
	COMPANY CARS		MATERIALS HANDLING EQUIPMENT	
	COMPANY AIRCRAFT		OTHER	
	SHIPS			
8. Company Identification	TRADEMARKS		SPECIAL PRODUCT NAMES	
	TRADE NAMES		COMPANY COLORS	
	LOGOTYPES		PRODUCT COLORS	
	SLOGANS		OFFICIAL TYPE STYLES	

DESIGN AS A MESSAGE CARRIER

How can design create a meaningful and appropriate Corporate Look when the ideas that design must transmit are almost always abstract and frequently very complex?

Understandably, some ideas can be expressed more effectively through design than others. The word "fish", for instance, clearly transmits an image of a "fish." So does a drawing of a fish — only the drawing does the job faster, transcends the barriers of language and literacy and can instantly differentiate between, say, a shark and a flounder.

The idea "warm", on the other hand, is harder to express by design. Graphics here need the help of color to express this higher level of abstraction. Since the color red is universally interpreted as an aspect of heat, it is natural that red be used when conveying the idea-message, "warm", by means of design.

It is when we try to use design to express the highest levels of abstraction — ideas like dignity, progressiveness, service, quality — that the designer meets his greatest challenge. And it is clear, too, that for many abstract ideas design will need the support of words. In some cases, years of common usage take the place of words. Thus a man with horns, forked tail and pitchfork equals "evil", and a woman with a long white robe holding a pair of scales equals "justice". But, generally speaking, the more abstract the idea, the greater will be the need for some verbal explanation.

Frequently, it is possible to find a symbol that not only identifies but has appropriate mental associations. The Greyhound Bus Lines trademark is one such symbol — a literal expression of the company name and the symbolic expression of swift movement. But as good as the sleek, leaping greyhound is, it still fails to express other qualities which the company would surely like to get across to its customers — qualities like service, comfort, safety. In fact, for some people the greyhound mark may even convey negative connotations of gambling or racing.

This example points up the major design consideration when it comes to developing the symbolism to accompany a Corporate Look. The search has always been — and, we are afraid, will always be — for a symbol (1) that will express just one (or, at most, two) appropriate messages; (2) that is versatile enough to be used in many ways; and (3) that is universally identified with an abstract quality or idea. Given time and enough money to promote it, almost any symbol can be *made* to work. The goal, however, is symbolism that communicates so effectively that maximum public awareness can be attained with a minimum expenditure of both time and dollars.

In sum, no designer can rightly claim that design alone can do the whole job of creating a Corporate Look. The most that we have ever claimed is that it is ridiculous to depend on public relations, advertising campaigns or even deeds to convey the idea of, say, "a progressive company" if the company's visual communications are transmitting an impression of the brawling, brawny, public-be-damned days that, rightly or wrongly, are usually associated with late 19th Century industry.

CORPORATE NOMENCLATURE: KEY TO IDENTITY

Second element in a Corporate Identity System is composed of the words which

E PLURIBUS UNUM

HONI·SOIT·QUI·MAL·Y·PENSE
DIEU·ET·MON·DROIT

a company uses in making itself known to its public. In a sense, these word communications are more important to the success of the C.I. System than the visual communications. For unless people are told, clearly and unmistakably, who is communicating to them, the Look a company works so hard to create may well end up floating loosely, but beautifully, in air without a company to call its own. Worse: it may well end up attributed to a competitor.

Solving the problems of Corporate Nomenclature, then, is usually the first step in any Corporate Identity System.

And the problems are many. How to make clear the surprisingly varied relationships between the parent company and its divisions, subsidiaries, branches and departments. How to communicate, at the same time, which sub-group makes what product or brand name. How to allow room for future corporate expansion, in any direction, without upsetting the established nomenclature patterns.

In recent years, these problems have been made more acute by the post-War desire for diversification which has led to a rash of corporate mergers — which, in turn, have added new divisions and brand names to scores of established companies. It is not unusual today for a large corporation to have a dozen divisions producing such disparate products as shotguns, frozen foods, electronics equipment and diapers. In some cases the brand names are better known than the divisions which market them. Frequently, the divisions are better known than the parent corporation.

Whatever the specific situation, the result is invariably a communications snarl that any well-planned Corporate Identity System must straighten out. This involves far more than doodling with the trademark, or re-arranging the type used in the company's legal signature. It means dealing squarely with semantics and filial relationships, and finding ways to tell, clearly and quickly, who the parent corporation is . . . and what relation the brand names bear to both divisions and parent company.

These relationships can, of course, be spelled out in words. But the communication is most effective — and far more memorable — when it is done visually (for example, in the way the names are positioned relative to each other in a logo or signature, or the emphasis given each by the type face). It will almost always be aided by the use of a shorthand symbol, or trademark.

In any case, the goal is a nomenclature and format which can be quickly grasped by the public with little or no mental effort on its part. This is not an easy thing to accomplish because people tend to think in direct lines about corporate relationships, when, as a rule, the lines are anything but direct. Ask the average housewife, for instance, "Who makes Jello?", and your reply is likely to be, "The Jello Company — who else?" And we'll bet the average industrial purchasing agent would be as astounded as we were to discover that the American Microphone Company is a division of the Elgin National Watch Company, which operates as part of the General Cement Manufacturing Company, which, in turn, is owned by Textron, Inc.

While Corporate Nomenclature problems are usually less complex in smaller companies, they just don't cease to exist. Very often the main problem is one of distinguishing the company from others with names so similar that their mail gets mixed up. Chain Belt Company and Link Belt Company, for example. Or that classic six-horse parlay — Dow Chemical, Dow Corning, Corning Glass, Owens-Corning, Libby-

Owens-Ford, Libbey Glass Company. When semantics become confusing, potent symbols and planned Corporate Nomenclature can lessen the confusion and make for more effective communications.

THE CORPORATE IDENTITY SYSTEM

The Corporate Identity System, as we have said, is composed of two basic elements: visual communications and word communications (Look and Nomenclature). But to these elements must be added something else: a plan of action — or "system" — under which these elements are employed.

In short, it is not enough to have a unique and memorable trademark, a well-known name and a quality product. The way these things are combined and presented to the public must be subject to a master plan which establishes the ground rules as to when, where, and how. That master plan is the Corporate Identity System.

The C.I. System encompasses the word communications involved in the naming of the corporation, its divisions and subsidiaries, its product brand names. And it encompasses the visual communications involved in the design of trademarks and signage . . . the layout of stationery, invoices, annual reports, promotion booklets and advertising . . . the design of products and packages . . . the appearance of buildings, offices, retail outlets . . . the painting of trucks and other transport.

The System, then represents the company's deliberate attempt to place under its absolute control all the varied elements of its word and visual communications so that everything the company does ends up transmitting the same clear, favorable message . . . so that the impact the company makes on the minds of its viewers is consistent no matter where or how the visual contact is made . . . so that the viewers' impression of the company is continually being refreshed and renewed — but never contradicted.

When this is accomplished the result is a total Identity for the corporation — an Identity which works in the most powerful kind of way to influence the Image that the public in general, and its customers in particular, have of the company and its products.

WHY C.I.?

Today, when qualitative differences between products are decreasing (at the same time that competition is increasing), more and more buying decisions are being made on the basis of other factors. Consumer confidence in the company. Experience with the brand name. The design of the product or the package. The friendliness and courtesy of a company's personnel. In a nutshell, the Corporate Image is fast becoming a major determinant of corporate success.

This fact alone would seem to be reason enough for management to give serious consideration to the ways in which it can work effectively to influence the kind of Image it has.

Within this broad justification, however, are many specific reasons why an effective Corporate Identity System merits management concern. Here are some of them:

1. Because it brings order and consistency to your corporate structure, and to the way in which you are transmitting your Corporate Look, a Corporate Identity System can help increase consumer confidence in existing products. Equally important: it can increase the speed with which *new* products are accepted by the public.

2. For the same reasons, a Corporate Identity System can give your company a solid competitive edge when it comes to attracting new executive talent, or holding the loyalty of present employees.

3. It can help establish the kind of company you are in the minds of people you depend on for new investment capital. It can also help give present stockholders confidence in their investment.

4. It can work to improve the relationship between your company and its suppliers — increase the cooperation of dealers and retailers — and, by so doing, help insure more profitable production, more efficient distribution.

5. It can increase the understanding of the company's aims on the part of the press . . . of national, state and local legislators . . . of the public in the area where the company operates.

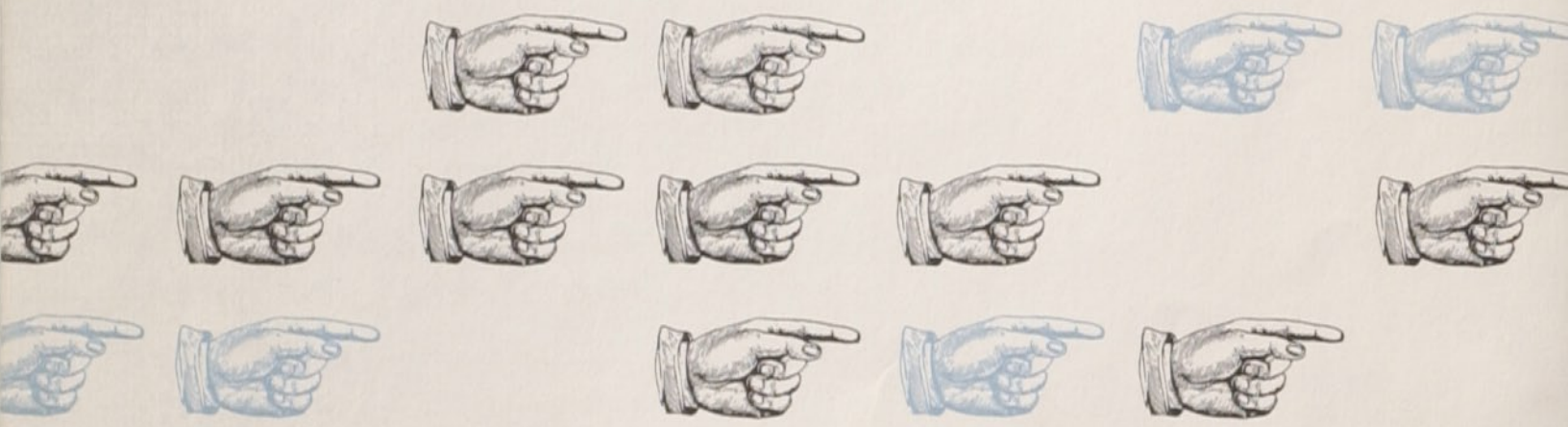
6. In this self-service age, when the retail sales clerk is either as extinct as a Dodo, or, at best, no more helpful, a Corporate Identity System can speed the selling process, not only by telling customers quickly who makes the product, but by instilling confidence in both the brandname and the maker.

7. In this era of rising communications costs, a Corporate Identity System can make every advertising dollar work harder and more productively. And in two ways:

First, it can give your campaigns a visual unity so that, no matter what the theme, the result will be consistency of impression — hence, added impact.

Second, it can create *in advance* an attitude of mind favorable to the acceptance of your advertising message.

Sound as these reasons are, perhaps the most telling argument for a Corporate Identity System was stated in a now-famous advertisement. McGraw-Hill was talking about business magazine advertising, but its no-nonsense copy applies with equal effect to the persuasive kind of advance selling that you can accomplish through a skillfully conceived and executed Corporate Identity System.



"I don't know who you are.

I don't know your company.

I don't know your company's product.

I don't know what your company stands for.

I don't know your company's customers.

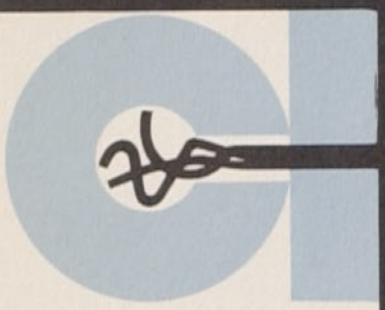
I don't know your company's record.

I don't know your company's reputation.

Now—what was it you wanted to sell me?"

MORAL: Sales start before your salesman calls
—with business magazine advertising.

McGRAW-HILL Publishing Company, Inc.
330 WEST 42nd STREET, NEW YORK 36, N. Y.



We are proud to number

among our clients

ACF Wrigley Stores, Inc. (store planning)

Acme Visible Records, Inc.

American Express Company

The American Seating Co.

The American Tobacco Co.

Associated Spring Corp.

Burry Biscuit Corp.

The Carling Breweries, Ltd.

Ceribelli and Company

Clairol, Inc.

Continental Baking Co.

Dairy Queen National Development Co.

Dow Corning Corp.

Fairmont Foods Company

Falstaff Brewing Corp.

First National Stores (store planning)

R. T. French & Company

General Foods Corp.

General Mills, Inc.

Gray Drug Stores, Inc. (store planning)

Imperial Tobacco Co. of Canada, Ltd.

International Silver Co.

S. C. Johnson & Son, Inc.

Kirsch Company, Inc.

Kraft Foods Company

The Lavoris Company

Lever Brothers Company

Lewyt Corporation

Noland Company, Inc.

Ortho Pharmaceutical Corp.

Pacquin, Inc.

Penn Fruit Company (store planning)

Praver & Sons

C. Schmidt & Sons, Inc.

Schultz Brothers Co. (store planning)

Seabrook Farms Company

Seeman Brothers Co.

Steinberg's Ltd.

Stroehmann Bros. Co.

Sylvania Lighting Products Div.

Union Carbide Corp.

United Shoe Machinery Corp.

United States Steel Corp.

Weyerhaeuser Timber Co.

L&M